

## Chapter 22 ~~SHORT~~-~~SHORT~~-TERM RENTALS

### 22-1. Purpose.

This ~~chapter~~Chapter is adopted to protect the health, safety, and welfare of residents of and visitors to the City of Chandler by enacting reasonable regulations for the ~~short term~~short-term rental of residential property within the City. The inclusion of a specific regulation or reference to City Code in this ~~chapter~~Chapter does not imply the exclusion of any other applicable law.

(Ord. No. 4939, § 2(Exh.), 10-12-20)

### 22-2. Definitions.

The following words, terms, and phrases, when used in this ~~chapter~~Chapter, shall have the meanings ascribed to them in this ~~section~~Chapter, except where the context clearly indicates a different meaning. ~~words~~Words not defined shall be given their normal, ordinary meaning.

*Director* means the Management Services Director or designee.

*Designee and Agent are interchangeable for purposes of this Chapter and mean any person or persons with the charge, care, or control of any property, dwelling unit, or portion thereof. "Designee" includes the "emergency point of contact."*

*Emergency point-of-contact means the owner or individual designated by the owner to: (i) serve as the local twenty-four-hour emergency point-of-contact for the short-term rental; and (ii) respond to complaints and emergencies relating to the short-term rental as required by this Chapter.*

*License means authorization by the City to operate a short-term rental in accordance with this Chapter.*

*Lodging accommodations* shall have the same meaning as defined in A.R.S. § 42-5076.

*Neighbor notification means the written notice provided by the owner to each residential property adjacent to the short-term rental property, directly across from the short-term rental property, diagonally adjacent to the short-term rental property, and behind the short-term rental property that includes the physical address of the short-term rental, and the name, address, and 24-hour telephone number of the emergency point of contact.*

*Nonresidential use* means any use that is not a permitted use in a residential zoning district.

*Online Lodging Marketplace shall have the same meaning as defined in A.R.S. § 42-5076.*

*Online lodging operator* shall have the same meaning as defined in A.R.S. § 42-5076.

*Owner means any person who, alone or with others, has title or interest in a property, dwelling unit, or portion thereof, with or without accompanying actual possession thereof, and includes any person who as agent, executor, administrator, trustee, tenant-in-possession, or guardian has charge, care, or control of any property, dwelling unit, or portion thereof. This does not include property managers or management companies contracting with the owner/operator for the purpose of facilitating the business of the ~~short term~~short-term rental.*

*Person means an individual, public entity, firm, corporation, partnership, limited liability company, trust, association, or any other business entity or juridical person, whether operating on a for-profit or nonprofit basis.*

*Residential zoning district* means any of the following: AG-1, SF-33, SF-18, SF-10, SF 8.5, MF-1, MF-2, MF-3, or MH-1.

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~~Short~~ ~~Short-term~~ rental or vacation rental are interchangeable for purposes of this Chapter and shall have the same meaning as set forth in A.R.S. § 9-500.39 and any portion of land located in a residential zoning district or any unit, room or structure on land located in a residential zoning district that is also offered to the public for transient lodging accommodations. Short-term rental does not include property that is used for any nonresidential use, including, but not limited to, retail, restaurant, banquet space, or event center. Advertisement online creates a rebuttable presumption that a property is a ~~short term~~ short-term rental.

*Transient* means for a duration lasting less than thirty (30) consecutive days.

*Verified violation* means a finally adjudicated finding of guilt or civil responsibility for violating any State law or local ordinance relating to regulating the operation of a short term short-term rental.

(Ord. No. 4939, § 2(Exh.), 10-12-20)

### **22-3. Registration License required.**

22-3.1. The owner of a ~~short term~~ short-term rental ~~shall must~~ obtain a ~~short term~~ short-term rental registration license by completing an application on a form prescribed by the City. Renting, advertising, or offering for rent a short-term rental without complying with the license requirement in this Section 22-3 is prohibited.

22-3.2. The owner of a ~~short term~~ short-term rental shall provide the following information when applying for a ~~short term~~ short-term rental registration:

- A. ~~The physical~~ A address of the ~~short term~~ short-term rental property.
- B. ~~The name, address, and telephone number of the owner of the short-term rental. If the property owner is an entity, provide the legal name of the entity and its statutory agent.~~
- ~~B.C.~~ C. The name, address, and telephone number of each Valid mailing address of the owner or the owner's agent designee of the owner, if any.
- D. ~~The full name, Phone number and email address, and twenty-four-hour telephone number of the owner or the owner's agent having the authority to respond to a complaint in person, over the phone, or by email at any time of the day individual who will serve as the emergency point-of-contact.~~
- E. Proof of a valid transaction privilege tax license.
- F. Acknowledgment by the owner of an agreement to comply with all applicable laws, regulations, and ordinances, including the requirement that the owner and each designee shall not be a registered sex offender, been convicted of any felony act that resulted in death or serious physical injury, or been convicted of any felony use of a deadly weapon within the past five years.
- ~~C.G.~~ G. A signed attestation stating that the owner of the short-term rental has notified neighbors about the planned operation of a short-term rental as required in Section 22-6. This attestation must be made on a form provided by the City, and must indicate the addresses of all properties notified and the method of notification.

~~22-3.3.~~ 22-3.3. The owner of a ~~short term~~ short-term rental shall inform the Director of any change in the information provided under ~~this section~~ 22-3.2 within ten ~~(10)~~ days of the change.

22-3.4. License Fee. Every application, including any renewal application, for a short-term rental license shall be accompanied by a non-refundable fee annual license fee established by City Council resolution. If the permit license is denied, the paid annual license fee shall will be refunded. The initial annual license fee shall be prorated as follows:

<u>July 1 – September 30</u> <del>January 1 – March 31</del>	<u>100% of the annual license fee</u>
<u>October 1 – December 31</u> <del>April 1 – June 30</del>	<u>75% of the annual license fee</u>
<u>January 1 – March 31</u> <del>July 1 – September 30</del>	<u>50% of the annual license fee</u>
<u>April 1 – June 30</u> <del>October 1 – December 31</del>	<u>25% of the annual license fee</u>

22-3.5. Issuance; reasons for denial. The City may deny issuance of a license for any of the following reasons:

- A. The applicant failed to provide the information required under Section 22-3.2;
- B. The applicant failed to pay the license fee required under Section 22-3.4;
- C. The applicant provided false information;
- D. **optional for council** The owner or designee of the owner: (i) is a registered sex offender; (ii) has been convicted of any felony act that resulted in death or serious physical injury; or (iii) has been convicted of any felony use of a deadly weapon within five years of submitting the application; or
- E. At the time of application, the owner has a suspended license for the same short-term rental or any of the following applies: (a) one violation at the short-term rental that resulted in or constituted any of the offenses described in Sec. 22-9(B); or (b) three violations of this Chapter at the short-term rental within a twelve (12) month period, not including an aesthetic, solid waste disposal, or vehicle parking violation that is not also a serious threat to public health and safety.

22-3.6. Notice of denial; appeal. The Director or designee shall give notice of the denial of an application to the applicant by mailing the notice to the applicant at the address listed on the application. The notice of denial shall inform the applicant of the right to appeal the denial as provided for in ~~Sec. X-X-13~~ **Chapter Section 1-7.**

22-3.7. Maintaining Accurate Information; Violations. All applicants and persons holding a license issued pursuant to this Chapter must provide written notice to the Director of any change in information submitted in connection with an application for a license or renewal of a license. The notice must be provided to the Director not less than 10 days before the effective date of the change. A violation of this subsection is a civil offense.

22-3.8. Term of License; Renewal application. All licenses issued under this Chapter are valid ~~for a period of one year from the date of issuance~~ **only for the calendar year in license term for which it is issued. Each permit license expires on June 30th of each year and must be renewed on or before July 1st- for the next renewal period of the following year.** Except where the City has received a new application along with the requisite fee, it is unlawful for any person to operate a short-term rental after the expiration date listed on the short-term rental license.

22-3.9. Operating Without a License; Penalties. A short-term rental owner who operates a short-term rental without a license is in violation of this Chapter and subject to civil penalties. In addition to any other penalty pursuant to the Chandler City Code, the City may impose a civil penalty of up to \$1,000 per month against the owner if the owner or owner’s designee fails to apply for a license within 30 days of receiving a written notice of violation from the City. Representations or advertisements, including online listings, that reference the short-

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[term rental property being available for rent are prima facie evidence that a short-term rental is operating in the City.](#)

[22-3.10. Non-transferable. A short-term rental license may not be transferred to another location or person.](#)

[22-3.11. Implementation. The Director shall develop the necessary forms and/or database necessary to implement this Section 22-3.](#)

(Ord. No. 4939, § 2(Exh.), 10-12-20)

## **22-4. Operating requirements.**

22-4.1. A ~~short term~~[short-term](#) rental may not be used for nonresidential uses, including, but not limited to retail, restaurant, banquet hall, event space, or any event that requires a permit or license pursuant to a City ordinance or State law.

22-4.2. A ~~short term~~[short-term](#) rental may not be rented, advertised, or used for any of the uses prohibited under A.R.S. § 9-500.39.

22-4.3. A ~~short term~~[short-term](#) rental may not be rented, advertised, or used for occupancies exceeding those allowed under Chapter 29 of this Code.

22-4.4. The neighborhood preservation requirements set forth in Chapter 30 of this Code apply to a ~~short term~~[short-term](#) rental.

22-4.5. The residential parking requirements set forth in Chapter 35 of this Code apply to a ~~short term~~[short-term](#) rental.

22-4.6. The following notice must be posted in a conspicuous place in the ~~short term~~[short-term](#) rental:

Notice: Using this property for the following purposes is prohibited:

1. Any nonresidential use;
2. Holding any event that requires a permit or license pursuant to a City ordinance or State law;
3. Operating a retail business, restaurant, event center, banquet hall or similar use;
4. Housing sex offenders;
5. Operating or maintaining a sober living home;
6. Selling liquor, illegal drugs, or pornography;
7. Operating a nude or topless dancing establishment;
8. Adult-oriented business;
9. Any uses prohibited under A.R.S. § 9-500.39; or
10. Any use that disturbs the peace and enjoyment of neighboring properties.

The maximum occupancy of this residence is \_\_\_\_.

22-4.7. A ~~short term~~[short-term](#) rental shall not be rented or offered for rent without a valid ~~short term~~[short-term](#) rental [registration license](#) under Section 22-3 and a valid transaction privilege tax license under Arizona Revised Statutes Title 42.

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~~22-4.8. When requested by a Police Officer or City Code Inspector, the owner or owner's agent whose name appears on the short term rental registration, or another person with management authority regarding the short term rental must be available either in person or by telephone within sixty (60) minutes after receiving the request.~~

(Ord. No. 4939, § 2(Exh.), 10-12-20)

## **22-5. Emergency point-of-contact requirements.**

22-5.1. Emergency Responses. When requested by a police officer, the owner or emergency point-of-contact whose name appears on the license application must be on the short-term rental premises or be available over the phone or by text within 60 minutes of the request.

22-5.2. Non-emergency Responses. The owner or emergency point-of-contact shall respond to all other City initiated inquiries relating to the short-term rental in person, over the phone, by e-mail, or by text within 24 hours of the request.

22-5.3. Maintaining Accurate Emergency Information. All applicants and persons holding licenses issued pursuant to this Chapter must give prior written notice to the Director of any change to the contact information provided to the City for the emergency point-of-contact. The notice shall be provided to the City not less than ten days prior to the effective date of the change.

22-5.4. Violations. In addition to any other penalty pursuant to the City Code, a violation of this section shall be a civil offense.

22-5.5. Penalties. In addition to any other penalty pursuant to the City Code, an owner shall be subject to civil penalties of up to \$1,000 for every 30 days the owner fails to provide notice to the City as required under this section. Before imposing the initial civil penalty, the City shall provide 30 days' notice to the owner by emailing or mailing a notice of violation to the owner's email address or mailing address that was provided to the City. The notice of the violation shall inform the applicant of the right to appeal the decision as provided for in ~~Sec. X-X-13~~ Chapter Section 1-7. Notwithstanding the date of the notice of violation, the date for calculating the penalties shall be the first day following the owner's failure to provide the notice to the City regarding the change.

## **22-6. Neighbor notification requirements.**

22-6.1. Neighbor notification. Before offering a short-term rental for rent for the first time, the owner or designee must provide neighbor notification to each residential property adjacent to the short-term rental property, including those properties directly across from the short-term rental property, ~~and~~ diagonally behind and across the street of the short-term rental property, ~~and~~ directly behind the short-term rental property. For purposes of this Section, the presence of a street or alley adjacent to the short-term rental property does not negate the neighbor notification requirement. The City may waive this requirement if a major arterial street, freeway, canal, railroad, or other geographic feature creates a reasonable buffer between the adjacent property and the short-term rental property. If the short-term rental property is in a multi-family residential building, the notification must be given to each residential unit on the same floor as the short-term rental, as well as any unit directly above or below the short-term rental. The neighbor notification must be provided in writing in the form required by the City and must include the following minimum information:

~~(1) The license number issued by the City;~~

(2) The physical address of the short-term rental; and

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(3) The name, physical address, email address, and 24-hour telephone number of the emergency point-of-contact.

22-6.2. Additional neighbor notification required. The owner or designee must provide additional neighborhood notification if there is any change to the information required in this Section. The notification must be given no later than five days before each change. The additional notification must be provided in the manner required by Section 22-6.1.

22-6.3. Attestation. At the time of the application the owner or designee shall provide to the City an attestation of compliance with the neighbor notification required by this Section ~~prior to submitting the application.~~ The applicant must complete the neighbor notification before applying for a short-term rental license.

22-6.4. Violations. In addition to any other penalty pursuant to the City Code, a violation of this Section is a civil offense.

## **22-7. Advertisement requirements.**

22-7.1. Required Disclosure. The owner or owner's designee must display the license number issued by the City and the Transaction Privilege Tax License issued by the Arizona Department of Revenue in accordance with A.R.S. 42-5042 -on each advertisement for a short-term rental, including but not limited to any advertisements posted on an online lodging marketplace.

22-7.2. Violations. In addition to any other penalty pursuant to the City Code, a violation of this Section is a civil offense. Each advertisement in violation of this Section constitutes a separate violation.

## **22-8. [Option for Council] Posting on property requirements.**

22-8.1. On-site Posting Required. The owner of the short-term rental must display the name, phone number, and email address of the owner (or designee) and emergency point-of-contact in a conspicuous place within three feet of the primary entrance of the short-term rental.

22-8.2. Failure to Comply. In addition to any other penalty pursuant to the City Code, a violation of this Section is a civil offense. Each day a short-term rental does not display the information required by this Section shall constitute a separate violation.

## **22-9. License suspension.**

22-9.1. The City may initiate an administrative process to suspend a short-term rental license for a period of up to 12 months for any of the following:

(A) Three verified violations of this Chapter within a 12-month period, not including any such violation based on an aesthetic, solid waste disposal, or vehicle parking violation that is not also a serious threat to public health and safety.

(B) One verified violation that results in or constitutes any of the following:

(1) A felony offense committed at or in the vicinity of a short-term rental by the owner of the short-term rental or by the owner's designee;

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(2) A serious physical injury or wrongful death at or related to a short-term rental resulting from the knowing, intentional, or reckless conduct of the owner of the short-term rental or the owner's designee;

(3) The owner of the short-term rental or the owner's designee knowingly or intentionally housing a sex offender, allowing offenses related to adult-oriented businesses, sexual offenses, or prostitution, or operating or maintaining a sober living home at the short-term rental location; or

(4) The owner of the short-term rental or the owner's designee knowingly or intentionally allowing the use of a short-term rental for a special event that would otherwise require a permit or license pursuant to the City Code or a state law or rule or for a retail, restaurant, banquet space or other similar use.

~~(C) If a short-term rental owner has other short-term rental licenses for multiple properties, and that owner has had a license suspended under this Section, the Director may suspend the other licenses held by the owner upon a finding that the owner's continued operation of other short-term rentals would pose a serious threat to public health and safety. If the owner has other short-term rental license for multiple properties, the Director may suspend other licenses held by the owner at their discretion.~~

22-9.2. Appeals. A decision to suspend a license may be appealed by the owner as set forth in Section 22-11 ChapterSection 1-7.

## **22-510. Enforcement of chapter; penalties.**

A. The City, its officers, and its employees may enforce this ~~chapter~~ Chapter by one or more lawful means, including but not limited to voluntary compliance, civil citation, injunctive action, and criminal prosecution for recidivist offenders, and criminal enforcement. The City may also require restitution.

B. Except as otherwise provided in this Chapter or state law, this Chapter may be enforced pursuant to Article II of Chapter 30 of this Code.

~~BC.~~ The City Manager shall designate those officers and employees of the City authorized to ~~inspect short term rentals and other properties to~~ determine compliance with this chapter.

CD. In addition to any other penalty pursuant to the City Code, and notwithstanding any other law, the City may impose a civil penalty of the following amounts against an owner if the owner causes, allows, facilitates, aides, or abets a verified violation of any provision of this Chapter or fails to perform any act or duty required by this Chapter, related to the same short-term rental property within the same 12-month period:

(1) Up to \$500 or up to an amount equal to one night's rent for the short-term rental as advertised, whichever is greater, for the first violation.

(2) Up to \$1,000 or up to an amount equal to two nights' rent for the short-term rental as advertised, whichever is greater, for the second violation.

(3) Up to \$3,500 or up to an amount equal to three nights' rent for the short-term rental as advertised, whichever is greater, for a third and any subsequent violation.

If multiple violations arise out of the same response to an incident at a short-term rental, those violations are considered one violation for the purpose of assessing civil penalties.

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E. In addition to any other penalty pursuant to the Code, any property that operates as a short-term rental and fails to apply for short-term rental license in accordance with this Chapter within thirty (30) days of the application process being made available by the City, must cease operations immediately. In addition to any fines imposed pursuant to this Section, the ~~Town~~City may impose a civil penalty of up to one thousand dollars (\$1,000) per month against the owner if the owner or owner's designee fails to apply within thirty (30) days of receiving written notice of the failure to comply with this Chapter.

~~The remedies in this section are cumulative and the City may proceed under one or more concurrently.~~

~~D. Any short term rental ownerowner/operator, agent, renter, or online lodging operator who causes, permits, facilitates, aides, or abets any violation of this chapter is subject to a civil penalty as follows:~~

~~1. First offense, five hundred dollars ( \$500.00).~~

~~2. Second offense on the same property within a twelve month period, one thousand dollars (\$1,000.00) per offense.~~

~~3. Third and subsequent offense on the same property within a twelve month period, one thousand five hundred dollars (\$1,500.00) per offense.~~

~~E. A short term rental ownerowner/operator is subject to a separate civil penalty as set forth in paragraph D of this section for each verified violation occurring on the short term rental ownerowner/operator's property.~~

~~F. Any short term rental ownerowner/operator, agent, renter, or online lodging operator who commits a violation of a provision of this chapter after previously having been found responsible for committing three (3) or more civil infractions of this chapter within a sixteen (16) month period, whether by admission, by payment of the fine, by default, or by judgment after hearing, shall be guilty of a Class 1 misdemeanor punishable as set forth in Section 1-8 of this Code. The City Prosecutor is authorized to file a Class 1 criminal misdemeanor complaint in the Chandler Municipal Court against such habitual offenders who violate this section. For purposes of calculating the sixteen (16) month period under this paragraph, the dates of the commission of the offenses are the determining factor.~~

~~G. If the ownerowner/operator of a short term rental has obtained a short term rental registration and provided valid contact information as required under this chapter, the Director shall make a reasonable attempt to notify the ownerowner/operator or the ownerowner/operator's agent of any citation issued for a violation of a City ordinance or State law that occurred on or at the short term rental within seven (7) business days after issuance of the citation using the contact information the ownerowner/operator provided under Section 22-3.3. No such notice is required for an ownerowner/operator who has failed to obtain a short term rental registration and provide contact information as required under this chapter.~~

~~(Ord. No. 4939, § 2(Exh.), 10-12-20)~~

## **~~22-6. Notification to the Arizona Department of Revenue.~~**

~~A. Within 30 days after a verified violation, the Director shall notify the Arizona Department of Revenue and the ownerowner/operator of the short term rental of the verified violation.~~

~~B. The notification provided under paragraph A of this section will include the amount of any civil penalty assessed against the ownerowner/operator of the short term rental under section 22-5(E) and any other information required by law.~~

~~(Ord. No. 4939, § 2(Exh.), 10-12-20)~~

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## **22-11. Appeals.**

A. Any person aggrieved by any decision with respect to the denial of or a refusal to issue a short-term rental license, the suspension of a short-term rental license, or a penalty imposed pursuant to this Chapter may appeal the decision by filing a written notice within ten calendar days from the date of the decision letter in accordance with the provisions set forth in Chapter Section 1-7. of appeal with the City Manager no later than 30 days from the date of the decision letter. The notice of appeal shall set forth with specificity the factual grounds for the appeal. be on a form approved by the City.

B. An appeal under this Section does not operate as a stay of the license suspension.

C. This Section is not applicable to judicial actions brought pursuant to Section 22-12 or to penalties including fines imposed by a court.

## **22-12. Judicial relief.**

A. Notwithstanding Section 22-9, any attempted or completed felony act, arising from the occupancy or use of a short-term rental that results in a death, or actual or attempted serious physical injury, shall be grounds for judicial relief in the form of a suspension of the property's use as a short-term rental for a period that shall not exceed 12 months.

B. The City Attorney may initiate proceedings in the City court or other court of competent jurisdiction to enforce this Section.

## **22-13. Recidivist offenders.**

Any person deemed to be a recidivist offender shall be penalized subject to the provisions of Section 1-8.7.B. of the City Code.